

DISTRICT COURT, CITY AND COUNTY OF
DENVER, COLORADO
1437 Bannock Street
Denver, Colorado 80202
Telephone: 720-865-8301

Plaintiffs: OASIS LEGAL FINANCE GROUP, LLC;
OASIS LEGAL FINANCE, LLC; OASIS LEGAL
FINANCE OPERATING COMPANY, LLC; and
PLAINTIFF FUNDING HOLDING, INC., d/b/a
LAWCASH,

v.

Defendants: JOHN W. SUTHERS, in his capacity as
Attorney General of the State of Colorado; and LAURA E.
UDIS, in her capacity of the Administrator, Uniform
Consumer Credit Code.

Attorneys for Plaintiff:
James R. Miller (#5842)
Paul R. Wood (#12578)
Thomas H. Wagner (#38135)
MOYE WHITE, LLP
16 Market Square
1400 16th St., 6th Floor
Denver, CO 80202-1027
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▲ COURT USE ONLY ▲

Case Number:

Division:

COMPLAINT FOR DECLARATORY JUDGMENT

Oasis Legal Finance Group, LLC, Oasis Legal Finance, LLC, Oasis Legal Finance Operating Company, LLC and Funding Holding, Inc., d/b/a LawCash, through their attorneys, Moye White LLP, state the following Complaint for Declaratory Judgment against Defendants John W. Suthers, in his capacity as Attorney General of the State of Colorado and Laura E. Udis, in her capacity as the Administrator of the Colorado Uniform Consumer Credit Code ("UCCC").

INTRODUCTION

Oasis and LawCash are in the business of providing non-recourse pre-settlement funding to plaintiffs who have pending personal injury claims. The Oasis and LawCash funding agreements are not loans, but purchases of a contingent interest in the potential proceeds of plaintiff's personal injury action. The funding agreements clearly set forth the amount funded, the amount which will be paid to the funding companies out of the proceeds and that the plaintiff has no obligation to pay the contracted amount if plaintiff drops or loses his lawsuit.

In essence, Oasis and LawCash help personal injury victims in their time of financial need. The funding allows injured plaintiffs who may not be able to work to pay their personal expenses such as mortgages, car payments, utility and other bills and buy food and medicine while waiting for their lawsuit to settle or go to trial. The funding benefits plaintiffs by allowing them to get a fair settlement or award rather than accepting a low settlement because of cash constraints.

Moreover, the public policy reasons for the protections provided by the Colorado UCCC are absent. Oasis and LawCash enter into funding agreements only with persons already represented by counsel, and require the lawyers to acknowledge the funding agreements by signature.

In July 2010 the Defendants contacted Oasis and LawCash and informed them for the first time that the funding agreements violated the Colorado UCCC. Oasis and LawCash believe the interpretation by the Attorney General and the Administrator is wrong, effectively prevents them from doing business in Colorado, and deprives Colorado consumers of their ability to obtain litigation funding.

PARTIES, JURISDICTION AND VENUE

1. Oasis Legal Finance Group, LLC, Oasis Legal Finance, LLC, and Oasis Legal Finance Operating Company, LLC (collectively "Oasis"), are affiliated Delaware limited liability companies with their principal offices at 40 North Skokie Boulevard, 5th Floor, Northbrook, Illinois 60062.

2. Funding Holding, Inc., d/b/a LawCash ("LawCash") is a Delaware corporation with its principal offices at 26 Court Street, Suite 1104, Brooklyn, New York 11242.

3. Defendant John W. Suthers (the "Attorney General") is the Attorney General of the State of Colorado.

4. Defendant Laura E. Udis (the "Administrator") is the Administrator of the Colorado Uniform Consumer Credit Code, C.R.S. §§ 5-1-101, *et seq.*, for the State of Colorado. The Colorado Uniform Consumer Credit Code is referred to as the "Colorado UCCC".

5. Jurisdiction is proper in this Court pursuant to Rule 57(a), C.R.C.P. and C.R.S. § 13-51-105. Venue is proper in this Court pursuant to C.R.C.P. Rule 98(c)(1) because the Defendants' offices are located in the City and County of Denver

6. Oasis and LawCash have standing to bring this action pursuant to Rule 57(b), C.R.C.P. and C.R.S. § 13-51-106 because their rights or other legal relationships are affected by the Attorney General and the Administrator's interpretation and proposed enforcement of the Colorado UCCC.

GENERAL ALLEGATIONS

Plaintiffs' Business

7. Oasis and LawCash are in the business of providing non-recourse pre-settlement funding to plaintiffs who have pending personal injury claims arising primarily from automobile accidents, slip and fall, or job-related injuries.

8. The legal funding transactions of Oasis and LawCash are not loans. The transactions constitute a non-recourse purchase of a right to a portion of the proceeds of a potential future case award or settlement. Oasis and LawCash's legal funding only requires payment of the contracted amount if the plaintiff receives a favorable cash settlement award. If the plaintiff loses his/her case, Oasis and LawCash do not receive anything.

9. Oasis and Law Cash conduct business in 45 states and the District of Columbia. Law Cash started doing business in Colorado in 2001 and Oasis started doing business in Colorado in 2004. In January 2010 Oasis and Law Cash stopped entering into new funding transactions in Colorado.

10. Oasis and LawCash enter into funding agreements with plaintiffs. Sample copies of the funding agreements are attached as Exhibit A (Oasis) and Exhibit B (LawCash). The funding agreements set forth in plain, easy to understand language the amount of the funding provided, and all fees that apply to the funding. Each plaintiff's fee schedule is based on his/her individual case, with the appropriate multipliers so the plaintiff knows exactly how much money from the proceeds Oasis and LawCash have interest in if the case settles in the specified time frame. The funding agreements provide that Oasis and LawCash are only entitled to payment of the contracted amount when the plaintiff receives his/her settlement or award, but if plaintiff loses the lawsuit or there are insufficient proceeds available to pay the contracted amounts, s/he will owe nothing.

11. Oasis and LawCash only enter into funding agreements with plaintiffs who are represented by counsel. As part of the approval process, Oasis and LawCash consult with a plaintiff's lawyer regarding plaintiff's case. The funding agreements encourage the plaintiff to discuss the funding agreement with the lawyers representing them in their lawsuits and require the plaintiff's attorney to sign an acknowledgment of the funding contract.

12. Oasis and LawCash limit funding to no more than ten percent of what Oasis and LawCash believe the case settlement value to be. The ten percent limit helps ensure that the plaintiff will receive a meaningful share of the settlement proceeds even after Oasis or LawCash receive the contracted amount.

13. Oasis and LawCash receive periodic status reports from the lawyer of a plaintiff to whom they have funded, but provide no input regarding the resolution of a plaintiff's claim. The decision of whether to dismiss, settle or try a claim is made by the plaintiff and his/her lawyer.

The Legal Funding Transactions Benefit Colorado Consumers

14. Personal injury victims and plaintiffs in lawsuits often have trouble paying their bills while waiting for the resolution of their cases. It can take years for many cases to resolve. Oasis and LawCash's services ensure that their clients get a fair settlement or award rather than accepting a low settlement in order to meet immediate financial needs because of cash constraints.

15. Typical Oasis and LawCash clients use the funds received to pay for food, their mortgages, rent, car payments, medicine, utilities and other bills, and to support their families. Without funding from Oasis and LawCash, many of these clients would be foreclosed upon or evicted from their homes, lose their vehicles, or be unable to pay their bills. The financial problems the clients would suffer without the funding would impact their ability to live and support their families.

Colorado Legal Opinions

16. The Ethics Committee of the Colorado Bar Association issued Abstract 96/97-17 addressing the question of whether an attorney violated the Colorado Rules of Professional Responsibility by consenting to an agreement between the client and a third party such as Oasis and LawCash for funding of living expenses. The Ethics Committee concluded the attorney is not prohibited from acknowledging and honoring funding agreements so long as the attorney has no financial interest in the arrangement with the third party.

17. In April 2001 LawCash commissioned a survey of Colorado law related to its proposed business activities from Legal Research Center, Inc. LawCash relied upon that legal survey to start doing business in Colorado in 2001.

18. In 2003 Oasis commissioned a survey of state law, including Colorado law, related to its proposed business activities from Legal Research Center, Inc. Oasis relied upon that legal survey to start doing business in Colorado in 2004.

19. In 2007 LawCash requested and obtained a legal opinion from a Colorado law firm which concluded that if a Colorado court were to consider the issue, it was more likely than not that to find the funding agreements did not constitute "loans" under the Colorado UCCC.

LawCash disclosed the opinion to Oasis, and both Oasis and LawCash relied on the opinion to continue to do business in Colorado.

The Dispute

20. In December of 2009 Oasis and LawCash learned that Defendants were investigating legal funding transactions entered into in Colorado by an unrelated company. In an abundance of caution, in January 2010 Oasis and LawCash ceased entering into new funding agreements in Colorado pending the outcome of the Defendants' investigation of the unrelated company.

21. On April 29, 2010, the Attorney General, acting on behalf of the Administrator, issued an opinion letter regarding "Litigation Advance Funding" in Colorado which concluded that legal funding transactions were "loans" made by "lenders" to "consumers." Moreover, the Attorney General concluded the funding agreements "likely" are supervised loans under the Colorado UCCC because they were loans to consumers "for personal, family, or household purposes" with an annual percentage rate of 12% or more. The Attorney General concluded that companies engaged in litigation funding "must be a licensed, supervised lender and otherwise comply with the [Colorado UCCC] to do business in Colorado."

22. On July 13, 2010, the Attorney General sent letters to Oasis and LawCash because "the Administrator ... recently became aware you may be offering supervised loans in Colorado," and referred Oasis and LawCash to the April 29, 2010 Opinion Letter. The Attorney General requested a detailed description of all funding transactions that Oasis and LawCash have entered into in Colorado.

23. The Attorney General's analysis in its April 29, 2010 and July 13, 2010 letters is incorrect and contrary to established Colorado law. In *State of Colorado v. The Cash Now Store, Inc.*, 31 P.3d 161, 166-67 (Colo. 2001), the Colorado Supreme Court distinguished between a debt and a sale of a chose in action:

Under the transactions at issue in this case, Cash Now advances money to taxpayers in exchange for the right to collect a payment from the government in the amount of the taxpayer's anticipated tax refund. As with the transactions at issue in [*Income Tax Buyers, Inc. v. Hamm*, No. 91-CP-40-3193 (S.C. Ct.C.P., Jan. 14, 1992)], the contracts at issue in the present case impose an obligation on the taxpayer to repay Cash Now only if the government fails to pay the amount of the anticipated tax refund. As the Hamm court explained, even the lender "demonstrates that it does not view the refund as a chose in action because the borrower owes it a sum of money whether the refund or "chose" is valuable to [the lender] or not. This is debt." *Hamm*, No. 91-CP-40-3193, slip op. at 6. Thus, the transaction is more properly characterized as a loan, rather than the sale of a chose in action.

24. Oasis and LawCash's funding agreements are true purchases of contingent rights to a portion of the proceeds of choses in action and not loans. Unlike the contracts in *Cash Now Store*, which imposed an absolute obligation on the taxpayer to repay the money if the anticipated tax refund was insufficient to cover the advance, Oasis and LawCash clients are not obligated to pay the contracted amount from any source other than the lawsuit settlement or judgment proceeds. If a client drops, dismisses or loses his case, the client owes nothing and Oasis and LawCash receive nothing. Thus, Oasis and LawCash receive a benefit from the funding only if the client's chose in action ultimately has value and the client receives a recovery on his/her claim.

CLAIMS FOR RELIEF

First Claim

(Declaratory Judgment that Funding Agreements are not Loans)

25. The allegations of Paragraphs one through 24 above are incorporated herein.

26. Under C.R.S. § 13-51-105 and Rule 57(a), this Court has the broad power to declare rights, status and legal relations in order to afford relief from uncertainty.

27. Oasis and LawCash have a dispute with the Attorney General and the Administrator over the interpretation and application of the Colorado UCCC to Oasis and LawCash.

28. The businesses of Oasis and LawCash are directly affected by the Attorney General and Administrator's interpretation and application of the Colorado UCCC. Oasis and LawCash have ceased entering into new funding agreements in Colorado because of the uncertainty created by the Attorney General and Administrator's interpretation of the Colorado UCCC.

29. Colorado consumers are negatively impacted by not having access to litigation funding.

30. The application of the Colorado UCCC to Oasis and LawCash is an issue which can be decided by this Court in a declaratory judgment action. The Court's declaration would terminate the uncertainty or controversy between the parties.

31. Oasis and LawCash seek a declaration that:

- a. The funding agreements are purchases of a contingent right to a portion of the proceeds of choses in action and not loans or "supervised loans";
- b. The funding agreements are not subject to the Colorado UCCC;

- c. Oasis and LawCash are not “lenders” under the UCCC; and
- d. Oasis and LawCash are not required to be licensed, supervised lenders or otherwise comply with the Colorado UCCC to do business in Colorado.

Second Claim

(Declaratory Judgment that Oasis and LawCash are Protected by the “Bona Fide Error Defense” of the Colorado UCCC)

- 32. The allegations of Paragraphs one through 31 above are incorporated herein.
- 33. In the alternative, if the Court finds the Oasis and LawCash funding agreements to be loans under the UCCC, Oasis and LawCash seek a declaration that they are protected from liability under the safe harbor of C.R.S. § 5-5-201(6).
- 34. Section 5-5-201(6) of the Colorado UCCC provides that “[i]f a creditor establishes by a preponderance of evidence that a violation is unintentional or the result of a bona fide error, notwithstanding the maintenance of procedures reasonably adopted to avoid the error, no liability is imposed under [the applicable sections of the Colorado UCCC], and the validity of the transaction is not affected.”
- 35. Prior to entering into any funding agreements in Colorado, both Oasis and LawCash commissioned surveys of Colorado law to determine if the funding agreements were in compliance with Colorado laws regarding the purchase of proceeds of a chose in action.
- 36. In 2007, LawCash obtained a legal opinion from a Colorado law firm that it was “more likely than not” that a court would find the funding agreements did not constitute “loans” under the Colorado UCCC. LawCash disclosed that opinion to Oasis, and both Oasis and LawCash relied on that opinion to continue to do business in Colorado.
- 37. In addition, Oasis’ Director of Government and Community Affairs met with the Attorney General regarding Oasis’ Colorado business activities in May, June and November of 2009 and February of 2010. Oasis’ Director of Government and Community Affairs also participated in a telephone conference regarding Oasis’ Colorado business activities with the Attorney General on April 16, 2010.
- 38. Oasis and LawCash voluntarily stopped entering into new funding agreements in Colorado in January 2010 after learning the Attorney General was investigating an unrelated company engaged in litigation funding. Oasis and LawCash were first notified by the Attorney General and the Administrator that the funding agreements were subject to the Colorado UCCC on July 13, 2010.

39. In the alternative, Oasis and LawCash seek a declaration that:

- a. Any violation of the Colorado UCCC by Oasis and LawCash was unintentional or the result of a bona fide error;
- b. Oasis and LawCash maintained and followed procedures reasonably adopted to avoid the error;
- c. Oasis and LawCash are not liable for violations of the Colorado UCCC; and
- d. The funding agreements entered into in Colorado by Oasis and LawCash prior to January 2010 are valid and enforceable.

WHEREFORE, Oasis and LawCash respectfully request this Court enter an Order granting the relief sought herein, for costs and attorney's fees to the extent allowable by law or otherwise, and for such other and further relief as this Court deems just and proper.

PLAINTIFFS DEMAND A JURY ON ALL ISSUES SO TRIABLE.

DATED this 21st day of October, 2010.

Respectfully submitted,

*Original pleading bearing original signature
maintained in the offices of Moye White LLP, as
required by C.R.C.P. 121, § 1-26(9)*

/s/James R. Miller

James R. Miller (#5842)
Paul R. Wood (#12578)
Thomas H. Wagner (#38135)

Plaintiffs' Address:

40 North Skokie Boulevard, 5th Floor
Northbrook, Illinois 60062

EXHIBIT A

Oasis Legal Finance

FAX COVER SHEET

Date: August 24, 2010

Via Facsimile to (901) 462-3350

Jerome Plaintiff
950 Willaby
Boulder, CO 38126

Via Facsimile to (901) 462-3350

C. Edward Attorney, Esq.
488 Mendenhall
Boulder, CO 38117

From: Colin Lawler
OASIS LEGAL FINANCE

Pages: 12 (Including Cover)

Re: Jerome Plaintiff PURCHASE AGREEMENT
Case ID: P-CO-236348

FUNDING CHECKLIST

- ☐ Jerome Plaintiff complete and sign the Payment Instructions.
- ☐ Jerome Plaintiff complete and sign the Information Release.
- ☐ Jerome Plaintiff sign the Irrevocable Letter of Direction.
- ☐ Jerome Plaintiff complete and sign the Purchase Agreement and provide all missing information. Provide your Social Security Number and your Drivers License Number or State Identification Number (and State of Issuance).
- ☐ C. Edward Attorney sign the Acknowledgment of the Irrevocable Letter of Direction and list the approximate amount of any medical liens.
- ☐ C. Edward Attorney make two copies of the executed agreements
- ☐ C. Edward Attorney file one copy to Jerome Plaintiff's file and mark the file with **ASSIGNMENT to Oasis Legal Finance**.
- ☐ C. Edward Attorney provide client a copy for their records.
- ☐ Jerome Plaintiff or C. Edward Attorney fax the signed all documents to us at (847) 400-0269.

We greatly appreciate your assistance with the process. Once you receive your Oasis cash funding, please notify us if you wish to receive any future fundings. Please call at (847) 521-4303 if you have any questions.

Encl.

40 North Skokie Blvd, Suite 500, Northbrook, IL 60062
Phone (847) 521-4303 – Fax (847) 400-0269

Page 1 of 2

Purchase Price to Seller:	\$1,234.00
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WESTERN UNION 725

Funds available on the same day (funds available within one hour) if Oasis receives the purchase agreement signed both by you and your attorney by 3:00 p.m. A handling fee will be deducted from purchase price-no out of pocket cost to you-see schedule below for details:

Purchase Price to Seller		Handling Fee
\$0	- \$750.00	\$75.00
\$751.00	- \$1,250.00	\$90.00
\$1,251.00	- \$2,000.00	\$125.00
\$2,001.00	- \$3,000.00	\$150.00
\$3,001.00	- \$4,000.00	\$165.00

- ☐

Direct deposit wire transfer is possible when Oasis receives the signed (by you and your attorney) purchase agreement by 12:00 noon on the funding day. Oasis is not responsible for any hold placed on the funds, or any additional fees charged by the receiving bank. A handling fee will be deducted from purchase price-no out of pocket cost to you-see schedule below for details:

<i>Purchase Price to Seller</i>	<i>Handling Fee</i>
\$0 - \$750.00	\$59.00
\$751.00 - \$1,250.00	\$79.00
\$1,251.00 - \$2,000.00	\$125.00
\$2,001.00 - \$3,000.00	\$150.00
\$3,001.00 and up	\$165.00

JEFFREY MAPLE
SUNSHINE MAPLE
123 Pine Lane
Anyplace, VA 29000

PAY TO THE ORDER OF _____ \$ _____

1234
check number

ROUTING NUMBER ACCOUNT NUMBER CHECK NUMBER

Do not include the check number.

1 502500234 60901 88 3834

NOTE: The routing and account numbers may be in different places on your check.

Name of Bank:	
Bank's City, State:	
Routing/ABA Number:	
Account Number:	
Bank's Phone Number:	
Name on Account: (your name must be on the account)	

-

City, _____ State _____ Zip _____



Case ID: P-CO-236348

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All Ver. 3.0

PAYMENT INSTRUCTIONS

Page 2 of 2

- ☐ A Check sent in my name by Overnight Delivery service for delivery by the next business day.
(\$59.00 deducted from purchase price-no out of pocket cost to you. Overnight delivery does not include weekends. Saturday delivery available for an extra charge):

Street Address Apt/Unit # _____

City, _____ State _____ Zip _____

Terms: Purchaser agrees to provide funds to the Seller as requested below by the Seller. In the event that Seller receives any Proceeds prior to Purchaser receiving full payment of the applicable Oasis Ownership Amount, Seller grants Purchaser the right to effect one or more ACH debit entries, as needed, from Seller's bank to satisfy outstanding amounts due Purchaser. Seller agrees that funds received from Purchaser are a purchase of property, not a loan, and that Purchaser owns a portion of the potential proceeds from the legal claim.

<u>Payment Schedule</u>	<u>Oasis Ownership Amount</u>
	<u>(Payoff Amount)</u>
August 24, 2010 to February 23, 2011	\$1,851.00
February 24, 2011 to August 23, 2011	\$2,036.10
August 24, 2011 to November 23, 2011	\$2,776.50
November 24, 2011 to February 23, 2012	\$3,085.00
February 24, 2012 to August 23, 2012	\$3,393.50
August 24, 2012 to February 23, 2013	\$4,010.50
February 24, 2013 and thereafter	\$4,319.00

Please describe how we helped you during these difficult times: _____

By signing below, I hereby agree to the terms of the Payment Instructions and understand that I am responsible for the information that I have provided on this form and that Purchaser is not responsible for any problem in delivery or transfer of funds, so long as it follows the instructions provided by the Seller. I also agree to the use of the above statements in any way as Purchaser sees fit.

Jerome Plaintiff - Seller

Date

Oasis Legal Finance, LLC - Purchaser

Date

Oasis Legal Finance

CREDIT AND INFORMATION RELEASE

Oasis Legal Finance, LLC may obtain a consumer credit report and/or other financial and credit information as part of the proposed transaction.

PLEASE READ CAREFULLY: BY MY SIGNATURE BELOW, I hereby authorize, without any reservation any credit reporting agency, information service bureau, institution, attorney, or insurance company contacted by Oasis Legal Finance, LLC or its agents, to furnish a credit report, other financial, credit or legal information, information concerning liens and judgments against me and other information requested as part of the proposed transaction and at any time after the transaction until I have completely satisfied my obligations under the agreement.

This authorization is valid for purposes of verifying information given pursuant to business negotiations, or any other lawful purpose covered under the Fair Credit Reporting Act. (FCRA).

Upon written request, we will tell you whether we have obtained a credit report and, if so, the name and address of the credit reporting agency that provided it. We also request that by signing below, you certify the information provided by you to Oasis Legal Finance, LLC in your application and underwriting process is true, accurate and complete. You also authorize Oasis Legal Finance LLC to report this transaction and matters related to it to any of the above entities.

Additionally, I the undersigned, direct and authorize my attorney and any subsequent attorney(s) to cooperate and release to Oasis Legal Finance, LLC ("Oasis"), or its affiliates any and all information and documents pertaining to my current legal claim or lawsuit, including pleadings, discovery, investigation, contracts, medical records/reports, depositions, and all other information in the file not protected by the attorney-client privilege, the work product doctrine, or other applicable evidentiary privileges or protections. A copy and/or facsimile of this authorization bearing the signature of the undersigned shall be deemed to be the equivalent of the original.

I certify that the information provided by me to Oasis in my application is true, accurate, and complete.

Jerome Plaintiff

Date

Signature

Social Security Number

Telephone Number

Date of Birth

Drivers License #:

State of Driver's License

Street Address City State Zip Code



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Case ID: P-CO-236348

All Ver. 3.0

PURCHASE AGREEMENT
PAGE 1 OF 5

Purchaser:	Oasis Legal Finance, LLC (Oasis)
Seller:	Jerome Plaintiff
Purchase Price:	\$1,234.00
	Oasis Ownership Amount
<u>Payment Schedule</u>	<u>Oasis Ownership Amount (Payoff Amount)</u>
August 24, 2010 to February 23, 2011	\$1,851.00
February 24, 2011 to August 23, 2011	\$2,036.10
August 24, 2011 to November 23, 2011	\$2,776.50
November 24, 2011 to February 23, 2012	\$3,085.00
February 24, 2012 to August 23, 2012	\$3,393.50
August 24, 2012 to February 23, 2013	\$4,010.50
February 24, 2013 and thereafter	\$4,319.00
Fees Due at Repayment	
Case Servicing Fee every 6 months	\$30.00
Subsequent Case Review for each additional funding	\$20.00
Facsimile and Photocopying Costs per Funding	\$25.00

SELLER EXPLICITLY AFFIRMS THAT THE LEGAL CLAIM REFERENCED HEREIN WAS BROUGHT IN GOOD FAITH, PREDATES THIS PURCHASE AGREEMENT, AND THAT NO PART OF THE PURCHASE PRICE WILL BE USED TO SUPPORT, DIRECT OR MAINTAIN THE LEGAL CLAIM OR ITS PROSECUTION

IF SELLER COMPLIES WITH THIS PURCHASE AGREEMENT AND RECOVERS NOTHING FROM THE LEGAL CLAIM CITED BELOW, THEN PURCHASER SHALL RECEIVE NOTHING. SELLER IS NOT ENTITLED TO RECEIVE ANY PROCEEDS UNTIL PURCHASER HAS RECEIVED THE OASIS OWNERSHIP AMOUNT.

SELLER:	Jerome Plaintiff	Address:	950 Willaby, Boulder, CO 38126
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I certify that I have read and agree to the statements above and the entire Purchase Agreement consisting of five (5) pages. I agree to be bound by the terms and conditions of this Purchase Agreement. This Agreement shall not be effective until the Purchase Price is paid to Seller.

Seller's Signature	Date	Purchaser's Signature	Date
Jerome Plaintiff		Oasis Legal Finance, LLC	

SECTION 1. DEFINITIONS.

1.1 "Legal Claim" means (a) the pending legal action and/or lawsuit to obtain money or property in which the Seller is engaged as a result of injuries and/or damages arising out of a personal injury or other claim; (b) all applicable proceedings, proceedings on appeal or remand, enforcement, ancillary, parallel, or alternative dispute resolution proceedings and processes arising out of or relating to such case; (c) any other proceedings founded on the underlying facts giving rise to such case in which Seller is a party.

1.2 "Oasis Ownership Amount" is the amount Purchaser is to be paid out of the Proceeds and as determined as of the date Purchaser receives payment based on the Payment Schedule on Page 1 of this Purchase Agreement.

1.3 "Proceeds" means whatever you receive as a result of the legal claim, for example through a judgment, Arbitration or the like.

1.4 "Purchased Interest" means the right to receive a portion of the Proceeds equal to the Oasis Ownership Amount on the further terms and conditions provided for in this Purchase Agreement.



PURCHASE AGREEMENT

PAGE 2 OF 5

1.5 "Purchaser" means Oasis Legal Finance, LLC.

1.6 "Seller" means Jerome Plaintiff.

1.7 "Seller's Attorney" means, collectively, C. Edward Attorney, Esq., which is Seller's attorney(s) in respect of the Legal Claim and any substitute, new or additional attorney representing Seller in the Legal Claim.

SECTION 2. SELLER'S STATEMENTS. Seller states to Purchaser as follows:

2.1 **Purchase and Sale.** Seller sells and assigns, and the Purchaser buys and assumes, the Purchased Interest.

2.2 **Title; Capacity.** Seller believes the Legal Claim to be meritorious and filed in good faith. Seller is the plaintiff in the Legal Claim and has full right, title and interest in, to and under the Legal Claim and the Proceeds and has the capacity and authority to enter into this Purchase Agreement.

2.3 **Information True, Complete and Correct.** Seller warrants that all information provided to Purchaser is true complete and correct and that Seller has informed Purchaser of all actions, facts and circumstances that materially affect or impair the Legal Claim.

SECTION 3. SELLER'S ACKNOWLEDGEMENTS. Seller acknowledges the following:

3.1 **Risk of Loss.** This transaction involves a substantial economic risk and a bona fide risk of loss to Purchaser. The Oasis Ownership Amount has been negotiated to account for such risk.

3.2 **No Attorney-Client Relationship; No Obligations with Respect to Legal Claim.** Purchaser is not engaged in the practice of law and is not serving as Seller's attorney and does not assume or have any responsibility or obligation of any kind whatsoever to Seller or Seller's Attorney in connection with the Legal Claim.

3.3 **No Previous Assignment.** Seller has not sold, assigned, pledged, transferred, or encumbered any interest in the Legal Claim or the Proceeds. There are no pending or threatened claims, liens, or judgments against Seller or Seller's assets that would materially impair the value, priority or collectibility of the Proceeds payable to Seller in connection with the Legal Claim or the amounts owed to Purchaser pursuant to this Purchase Agreement.

SECTION 4. PURCHASER'S ACKNOWLEDGEMENT. Purchaser acknowledges the following:

4.1 **Purchaser's Acknowledgment.** Purchaser acknowledges and agrees that Purchaser shall have no right to and will not make any decisions with respect to the conduct of the Legal Claim or any settlement or resolution thereof and that the right to make such decisions remains solely with Seller and Seller's Attorney.

SECTION 5. SELLER'S AGREEMENTS. Seller agrees as follows:

5.1 **Treatment of Transaction.** Seller agrees to treat and report the sale and purchase of the Purchased Interest as a sale transaction and not as a loan for all purposes (including tax purposes).

5.2 **Treatment in Bankruptcy.** If Seller commences or has commenced against it any case or other proceeding pursuant to any bankruptcy, insolvency or similar law prior to payment of the full Oasis Ownership Amount to Purchaser, Seller shall cause the Purchased Interest to be described as an asset of Purchaser (and not as a debt obligation of Seller) in any oral or written communications, including, without limitation, any schedule or other document filed in connection with such case or proceeding.

5.3 **No Further Assignment.** Seller shall not sell, assign, pledge, or transfer (whether voluntarily, by operation of law or otherwise) any interest in the Legal Claim or the Proceeds without the prior written consent of Purchaser, except for transfers by intestate due to Seller's death. In the event an interest in the Legal Claim or the Proceeds is transferred by intestate due to Seller's death, Seller's heirs, estate executors and personal representatives will be bound by this Purchase Agreement.



PURCHASE AGREEMENT

PAGE 3 OF 5

5.4 Prosecution of Claim and Facilitation of Payment. Seller intends to use its best efforts to prosecute the Legal Claim and to bring the Legal Claim to good faith settlement or final judgment and shall use its best efforts to enforce collection of all sums due under this purchase agreement including executing the release and disbursement sheet.

5.5 Subsequent Case Review. Seller agrees to an additional case review charge of \$20.00 each time seller requests and receives additional funding from Purchaser.

5.6 Case Servicing Fee. Seller agrees to pay to Purchaser a case servicing fee of \$30.00 every six (6) months or increment thereof. Said sum(s) shall be due at the time Seller pays to Purchaser its ownership amount.

5.7 Substitution of Attorneys in the Legal Claim. If Seller determines to hire new or additional attorneys to represent Seller in the Legal Claim, Seller agrees that, prior to such hiring, Seller shall (a) provide Purchaser with written notice of such determination and (b) deliver a copy of the Irrevocable Letter of Direction to such new or additional attorney, (c) require such new or additional attorney to execute and deliver to Purchaser an Attorney Acknowledgement of the Irrevocable Letter of Direction. Any such new or additional attorney(s) shall be considered part of "Seller's Attorney in the Legal Claim" upon such hiring for all purposes of this Agreement.

SECTION 6. PAYMENT AND PRIORITY.

6.1 Priority Payment to Purchaser. Seller shall not be entitled to receive any Proceeds until Purchaser has received the Oasis Ownership Amount. If the Proceeds are insufficient to pay the Oasis Ownership Amount in full, Purchaser shall receive all of the Proceeds, subordinate to only attorneys' fees and costs and medical liens. **If Seller complies with this purchase agreement and recovers nothing from the legal claim, then Purchaser shall receive nothing**

6.2 Mechanics and Timing of Payment. The Oasis Ownership Amount shall be paid to Purchaser by the Seller's Attorney in accordance with the Irrevocable Letter of Direction. Seller agrees not to have the Oasis Ownership amount paid to him. Should the Oasis Ownership Amount be paid to Seller, Seller is appointed as Purchaser's trustee with respect to said Oasis Ownership Amount, and Seller acknowledges and accepts the trust and that Seller holds the Oasis Ownership amount in trust for Oasis. Seller then shall pay such amounts to Purchaser within ten days of receipt of the Proceeds in the Legal Claim by Seller. The Oasis Ownership Amount shall be determined as of the date it is received by Oasis. Seller waives any and all defenses with respect to the sale of the Purchased Interest and agrees not to avoid payment of any Proceeds that are payable to Purchaser. Purchaser reserves the right to assess an additional 1.5 percent (or the highest amount allowed by law, whichever is lower) per month late fee if the Oasis Ownership Amount is more than 10 days past due.

6.3 Risk of Loss. Purchaser and Seller acknowledge that the Purchased Interest may be worthless. Purchaser accepts the risk of loss with respect to the Purchased Interest

SECTION 7. EVENT OF DEFAULT; SPECIFIC DEFAULT; RIGHT OF RESCISSION.

7.1 Event of Default. The breach by Seller of any of Seller's obligations under this Purchase Agreement shall constitute an "Event of Default" hereunder. In an Event of Default, Purchaser shall have all rights, powers, and remedies provided in the Purchase Agreement and as allowed by law or in equity.

7.2 Seller's Right of Rescission. CONSUMER'S RIGHT TO CANCELLATION: YOU MAY CANCEL THIS AGREEMENT WITHOUT PENALTY OR FURTHER OBLIGATION WITHIN FIVE (5) BUSINESS DAYS FROM THE DATE YOU RECEIVE THE PURCHASE PRICE FROM PURCHASER.

TO CANCEL THIS AGREEMENT, YOU MUST EITHER:

- (I) RETURN THE FULL AMOUNT OF THE PURCHASE PRICE TO PURCHASER BY DELIVERING THE UNCASHED CHECK TO PURCHASER IN PERSON WITHIN FIVE (5) BUSINESS DAYS; OR**



PURCHASE AGREEMENT

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- (II) MAIL NOTICE OF CANCELLATION ALONG WITH THE FULL AMOUNT OF THE PURCHASE PRICE (EITHER BY RETURN OF PURCHASER'S UNCASHED CHECK, REGISTERED OR CERTIFIED CHECK, OR MONEY ORDER) BY INSURED, REGISTERED OR CERTIFIED U.S. MAIL, POSTMARKED ON OR WITHIN FIVE (5) BUSINESS DAYS OF RECEIVING THE PURCHASE PRICE, TO PURCHASER'S ADDRESS AS SET FORTH IN SECTION 8.3 BELOW.

SECTION 8. MISCELLANEOUS.

8.1 Survival of Representations. All of the representations, warranties, covenants and Purchase Agreements of the parties hereto contained in this Purchase Agreement or contained in any document furnished or to be furnished hereunder shall survive the date of this Purchase Agreement.

8.2 Notices. All notices and other communications given or made pursuant to this Purchase Agreement shall be in writing. All such notices or communications shall be deemed to have been given or made delivered personally or sent by registered or certified mail (postage prepaid, return receipt requested) or delivered by reputable overnight courier to the parties at the following addresses:

if to Purchaser, to: Oasis Legal Finance, LLC
40 North Skokie Blvd, Suite 500
Northbrook, Illinois 60062
AtCO: Controller

and if to Seller, to the address set forth on the first page of this Purchase Agreement, or at such other addresses as either of the parties hereto shall have specified in writing to the other.

8.3 Financing Statements and Additional Documents. Seller irrevocably authorizes Purchaser at any time and from time to time to file in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto. Purchaser may indicate the following information in such financial statements and amendments: (a) that a portion of the proceeds that are derived from the Legal Claim are owned by Purchaser; and (b) any other information required, in Purchaser's discretion, by the Uniform Commercial Code in any relevant jurisdiction. Seller agrees to furnish any information reasonably requested by Purchaser to facilitate the objectives of this Section 8.5.

8.4 Release to Contact Third Parties. As part of this Purchase Agreement it may be necessary to disclose information to third parties. Seller explicitly and irrevocably authorizes Purchaser to disclose any information to third parties as it deems appropriate to the extent permitted by law and also as referenced in the Oasis Legal Finance, LLC privacy policy. Seller releases Purchaser from any and all liability as a result of the release of any information.

8.4 Waiver. Any waiver by any party of its rights under this Purchase Agreement shall be in writing and signed by the party waiving such rights. The failure of either party to enforce, at any time, any of the provisions of this Purchase Agreement or any of the rights set forth in this Purchase Agreement, shall in no way be considered a waiver of such provisions, rights, or subsequent breaches thereof.

8.5 Governing Law and Forum. This Purchase Agreement, and all lawsuits, disputes, claims, or proceedings arising out of or relating to this Purchase Agreement or the relationships that result from this Purchase Agreement, shall be governed, construed and enforced in accordance with the laws of the State of Tennessee.

The Parties hereby irrevocably and unconditionally consent to submit to the exclusive jurisdiction of the Circuit Court of Cook County, Illinois for any disputes, claims or other proceedings arising out of or relating to this Purchase Agreement, or the relationships that result from this Purchase Agreement, and agree not to commence any such lawsuit, dispute, claim or other proceeding except in the Circuit Court of Cook County, Illinois. The parties hereby irrevocably and unconditionally waive any objection to the laying of venue of any lawsuit, dispute, claim or other proceeding arising out of or relating to this Purchase Agreement, or the relationships that result from this Purchase Agreement, in the Circuit Court of Cook County, Illinois, and hereby further irrevocably and unconditionally waive and agree not to plead or claim in the Circuit Court of Cook County, Illinois that any such lawsuit, dispute, claim or other proceeding brought in the Circuit Court of Cook County, Illinois has been brought in an inconvenient forum.



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PURCHASE AGREEMENT

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Each of the parties to the Contract further irrevocably consents to the service of process out of the Circuit Court of Cook County, Illinois by mailing copies thereof by Registered or Certified United States mail, postage prepaid, to each of the parties of the Purchase Agreement at its address specified in this Contract.

8.6 Waiver of Jury Trial, Consolidation and Class Action; Costs.

THE PARTIES HEREBY WAIVE THE RIGHT TO ANY JURY TRIAL ON ANY LAWSUIT, DISPUTE, CLAIM, OR CONTROVERSY. THE PARTIES ALSO WAIVE ANY RIGHT TO CONSOLIDATE OR TO HAVE HANDLED AS A CLASS ACTION ANY PROCEEDING ON ANY LAWSUIT, DISPUTE, CLAIM, OR CONTROVERSY WITH ANY PROCEEDING ON ANY LAWSUITS, DISPUTES, CLAIMS, OR CONTROVERSIES INVOLVING ANY PERSON OR ENTITY NOT A PARTY TO THIS AGREEMENT.

THE PREVAILING PARTY IN ANY LAWSUIT, DISPUTE, CLAIM, OR CONTROVERSY SHALL BE ENTITLED TO ALL REASONABLE ATTORNEYS' FEES AND COSTS, EXPENSES AND DISBURSEMENTS WITH RESPECT TO SUCH LAWSUIT, DISPUTE, CLAIM, OR CONTROVERSY.

8.7 Counterparts and Facsimile Signatures. This Purchase Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same Purchase Agreement. This contract shall be deemed to have been executed in Cook County, Illinois and shall only be in full force and effect upon the signing of the Contract by a duly authorized representative of Purchaser.

8.8 Assignment; Use of Information. Purchaser's rights and obligations under this Purchase Agreement may be assigned in its sole discretion without the consent of or notice to Seller. Seller's rights and obligations under this Purchase Agreement may not be assigned or transferred without the written consent of Purchaser, except for transfer by intestate due to Seller's death in which case Seller's heirs, estate executors and personal representatives will be bound by this Purchase Agreement. Seller agrees that Purchaser may share information that Purchaser obtained about Seller (whether from Seller or other person or entity) with potential assignees to whom Purchaser may assign its rights and obligations under this Purchase Agreement, provided that: (i) such information is reasonably necessary to allow a potential assignee to make an informed decision whether to take assignment from Purchaser; and (ii) Purchaser enters into an appropriate confidentiality Purchase Agreement with any such potential assignee.

8.9 No Third Party Beneficiaries; Successors and Assigns. Subject to the provisions of Section 8.8, (a) this Purchase Agreement is solely for the benefit of Purchaser and Seller; and (b) this Purchase Agreement shall be binding upon and inure to the benefit of the parties' successors, heirs, estates, executors, personal representatives and permitted assigns.

8.10 Severability. If any provision of this Purchase Agreement or the application of any such provision to any party or circumstance shall be determined by any court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this Purchase Agreement, or the application of such provision to such party or circumstances other than those to which it is so determined to be invalid or unenforceable, shall not be affected, and each provision of this Purchase Agreement shall be enforced to the fullest extent permitted by law. If any such court of competent jurisdiction declares that any term or provision of this Purchase Agreement is invalid or unenforceable, the parties hereto agree that such court shall have the power to modify the scope of such term or provision, to delete specific words or phrases, and to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable, and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Purchase Agreement shall be enforceable as so modified.

8.11 Legal Representation. SELLER UNDERSTANDS AND ACKNOWLEDGES THAT: (A) PURCHASER HAS RECOMMENDED THAT SELLER ENGAGE AN ATTORNEY IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THIS PURCHASE AGREEMENT; AND (B) SELLER HAS BEEN REPRESENTED BY OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY AN ATTORNEY OF SELLER'S CHOOSING IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THIS PURCHASE AGREEMENT.

8.12 Construction. The parties intend that this Purchase Agreement be deemed to have been prepared by all of the parties and that no party shall be entitled to the benefit of any favorable interpretation or construction of any term or provision hereof under any rule or law with respect to the construction of this Purchase Agreement.



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IRREVOCABLE LETTER OF DIRECTION

Sent by Fax to (901) 462-3350 and by US Mail

August 24, 2010

C. Edward Attorney, Esq.
488 Mendenhall
Boulder, CO 38117

Dear C. Edward Attorney,

Be advised that I have sold and assigned a portion of the proceeds of my legal claim equal to the Oasis Ownership Amount to Oasis Legal Finance, LLC. I, Jerome Plaintiff, hereby irrevocably direct C. Edward Attorney or any subsequent attorney(s) and law firms that may represent me, to tender the Oasis Ownership Amount to Oasis Legal Finance, LLC pursuant to this assignment from any and all of the proceeds due to me from the legal claim(s)/case(s) in which you represent me, after payment of any and all legal fees and reimbursable legal costs before releasing any funds to me. If any dispute arises over the amount owed Oasis, I instruct you NOT to release any funds to me until that dispute is resolved. If a check is sent in my name, I hereby grant you a limited, irrevocable power of attorney to endorse and deposit my check into your trust account and pay to Oasis Legal Finance, LLC, its Ownership Amount, before releasing any funds to me. I also state that I do not have any significant outstanding child support obligations. I understand that any such significant outstanding child support obligation may delay or prevent my funding.

(please initial)

I have read the Purchase Agreement and fully understand my obligations. I understand that Oasis has relied on this Irrevocable Letter of Direction to fund the Purchase Agreement, that the purchase price is \$1,234.00, and that the Oasis Ownership Amount will increase based on a multiple of the purchase price and the date Oasis receives payment per the Purchase Agreement. In the event that you no longer represent me, I instruct you to provide Oasis with any insurance, attorney or other information requested that will allow it to protect its interest and to follow my irrevocable instructions. This letter may be executed in counterparts, each of which shall be deemed an original and all of which shall together constitute an agreement. By signing the acknowledgement below, you acknowledge that this letter is from me and that you will comply with this Irrevocable Letter of Direction.

Sincerely,

Jerome Plaintiff

ATTORNEY ACKNOWLEDGMENT

- I, C. Edward Attorney, Esq., acknowledge receipt of this Letter and the Purchase Agreement from my client.
- My fee agreement is on a contingency basis and there are liens (exclusive of attorneys fees and costs) against the case of approximately \$_____, and I will honor my client's irrevocable letter of direction and assignment, subordinate to attorney fees, costs and appropriate medical liens as per instructions above.
- I fully expect and anticipate that any proceeds from the legal claim will be sent to me from the defendant and/or insurance company, and not to the Plaintiff, and I agree that all disbursements of funds, including plaintiff's share of proceeds, will be through my attorney trust account,
- I have not and will not accept any advice, direction or payment from Oasis Legal Finance LLC regarding the legal claim.
- To the best of my knowledge, Jerome Plaintiff has NOT received any previous cash fundings on his/her legal claim(s).
- Without the prior written consent of Oasis Legal Finance, LLC, I will not participate in or acknowledge any future cash fundings for Jerome Plaintiff.

How should we contact your office for case updates?

C. Edward Attorney, Esq.

E-mail is Preferred (or Fax Number)



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All Ver. 3.0

Oasis Legal Finance

NOTICE OF PURCHASE AND ASSIGNMENT

August 24, 2010

C. Edward Attorney, Esq.
488 Mendenhall
Boulder, CO 38117

RE: OUR CLIENT: Jerome Plaintiff
OUR CASE ID: P-CO-236348

Dear C. Edward Attorney,

Oasis Legal Finance LLC has entered into a Purchase Agreement (attached) with Jerome Plaintiff. Oasis Legal Finance has purchased an interest in the potential proceeds from the legal claim of Jerome Plaintiff.

**PLEASE BE ADVISED THAT YOU MAY NOT DISBURSE ANY OF THE PROCEEDS UNTIL
OUR PURCHASED INTEREST (PLUS ANY APPLICABLE SECOND FUNDING OR
SERVICING FEES) HAS BEEN SATISFIED.**

OASIS OWNERSHIP AMOUNT

<u>Payment Schedule</u>	<u>Oasis Ownership Amount</u> <u>(Payoff Amount)</u>
August 24, 2010 to February 23, 2011	\$1,851.00
February 24, 2011 to August 23, 2011	\$2,036.10
August 24, 2011 to November 23, 2011	\$2,776.50
November 24, 2011 to February 23, 2012	\$3,085.00
February 24, 2012 to August 23, 2012	\$3,393.50
August 24, 2012 to February 23, 2013	\$4,010.50
February 24, 2013 and thereafter	\$4,319.00
Fees Due at Payment	
Case Servicing Fee every 6 months	\$30.00
Subsequent Case Review for each additional funding	\$20.00
Facsimile and Photocopying Costs per Funding	\$25.00

Please call (866) 206-4800 (Press Option 6) or by fax at (847) 521-4392 to receive more information about payment.

40 North Skokie Blvd, Suite 500, Northbrook, IL 60062

Phone (866) 206-4800 – Fax (847) 521-4392

@F211 1 (901) 462-3350 @

@F307 P-CO-236348 @

@F201 874389 @



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Case ID: P-CO-236348

All Ver. 3.0

OASIS LEGAL FINANCE, LLC PRIVACY POLICY
Effective date January 2010

At Oasis Legal Finance we are committed to providing you the best service while earning your trust. A critical part of earning that trust is protecting your privacy rights. We have created this document to explain our privacy policy to you. In addition, we are complying with both federal and state laws which require financial services companies to notify you, our valued customers, about how we intend to treat your personal information that you have entrusted with us.

We want our customers to be aware of what information Oasis collects and how it is handled, with whom the information may be shared, and our customers' "opt out" rights. This policy sets forth our policies with respect to nonpublic personally identifiable information ("personal information") about potential, current, and former customers.

I. PERSONAL INFORMATION

To provide reliable, quality service Oasis Legal Finance must collect certain personal financial, legal, and medical information regarding its customers and potential customers. This is information that you, your attorney, or third parties provide to us on applications and other forms, by phone, fax, the Internet, or other delivery services. This information may include, but is not limited to, name, address, e-mail address, telephone number(s), your date of birth, employment and income information, specific medical information pertaining to your personal injury, specific case details and claims information, w/Cess statements and police reports.

II. OASIS LEGAL FINANCE'S COLLECTION AND USE OF INFORMATION

All personal information that Oasis Legal Finance collects when you or your attorney speak to an Oasis Legal Finance representative, or via any of Oasis' web sites when you inquire about or complete an application for one or more of our products or services (or begin the inquiry or application process, whether you complete the process or not), is handled by Oasis Legal Finance in accordance with this privacy statement.

Oasis Legal Finance uses personal information: for the stated purpose for which such information is gathered; for marketing analysis and sales planning purposes; for servicing and collection purposes; for legal, financial, accounting and tax record keeping; for other business purposes associated with its services; to manage its business; and to comply with requirements imposed by governmental authorities. Oasis Legal Finance discloses personal information to certain service providers that are contractually obligated to keep the information we provide them confidential and to use the personal information we share only to provide the services we ask them to perform.

In an effort to provide a diversity of product and service offers that may benefit our customers or potential customers, Oasis Legal Finance may provide non-public information about our customers to affiliated and unaffiliated companies. This information may include: name, address, e-mail address, and phone number(s). At no time will we ever disclose any medical, legal or transactional information for these purposes. Information that is collected or maintained by any company other than Oasis Legal Finance, including additional information collected by such company, will be governed by that other company's privacy policy.

Oasis Legal Finance will not disclose your personal information to a third party unless (i) disclosure is necessary to render services or to perform related business activities expressed in this privacy policy; (ii) disclosure is required pursuant to a request for specific customer information to comply with a subpoena, court order, and/or other legal instrument, legal proceeding or relevant law, including compliance with the USA Patriot Act; or (iii) as otherwise permitted by law.

III. OASIS LEGAL FINANCE'S INFORMATION SECURITY

Oasis Legal Finance maintains physical, electronic, and procedural

safeguards that comply with federal and state regulations to guard your personal information, and secure your information from unauthorized access, use and disclosure. To this end, we use industry-standard methods such as firewalls, encryption and system access controls, and our security practices are regularly reviewed against industry best practices by internal staff and independent third parties.

All personal information that Oasis Legal Finance collects is accessible by Oasis Legal Finance employees and contractors and, to the extent required for the tax, accounting, legal and other professionals hired by Oasis Legal Finance, for business purposes only and to fulfill their fiduciary or representative duty. All such professionals are bound to maintain the confidentiality of information supplied to them by contractual and/or ethical obligations.

VI. "OPT-OUT" PROVISION

Oasis Legal Finance offers any person the opportunity to "opt-out" of receiving future offers from Oasis or from affiliated and unaffiliated companies. To remove your information from our database so as not to receive future advertising communications, you can send an email to optout@oasislegal.com. Or you can send a written correspondence to the same effect to:

Opt-Out
Oasis Legal Finance, LLC
40 N. Skokie Blvd, Suite 500
Northbrook, IL 60062

Please note that it may take up to 30 days from the date of receipt of notification for your request to become active. In your opt-out instructions, so that we can accurately remove your record, please include your name, address, phone number, and attorney's name that is handling or handled your case.

California: In accordance with California law, Oasis Legal Finance will automatically opt out California residents from sharing with unaffiliated companies and will not share information we collect about California residents with unaffiliated companies except as permitted by law, such as with the consent of the customer or to service the customer's accounts. We will limit sharing with affiliates to the extent required by applicable California law.

Vermont: In accordance with Vermont law, Oasis Legal Finance will automatically opt out Vermont residents from sharing with unaffiliated companies and will not share information we collect about Vermont residents with unaffiliated companies except as permitted by law, such as with the consent of the customer, to service the customer's accounts or to other financial institutions with which we have joint marketing agreements. We will not share application information, consumer report information and information from outside sources about Vermont residents with affiliated companies except with the authorization or consent of the Vermont resident.

VII. REVISION OF THIS POLICY

This Privacy Policy may be revised from time to time by Oasis Legal Finance. We will inform you of any changes as required by law. Amendments to this policy will be effective when posted to our website at www.oasislegal.com.



EXHIBIT B

PLAINTIFF FUNDING HOLDING INC.

LAWSUIT INVESTMENT AGREEMENT

This Lawsuit Investment Agreement, made as of August 10, 2010, is between [Sample Client], residing at [123 Main Street, Anywhere] New York [00000] (hereinafter referred to as "I"), and Plaintiff Funding Holding Inc. having its principal place of business at 26 Court Street, 11th Floor, Brooklyn, New York 11242-0000 (hereinafter referred to as ("LAWCASH")).

RECITALS

- A. I am currently engaged in a pending legal claim and/or lawsuit as a result of injuries arising out of a personal injury incident that occurred on or about [1/1/2000] and any other related actions (the "Lawsuit"). The Lawsuit shall include, without limitation, any lawsuits or claims in which I am asserting my right to recover for my injury, whether it is against the defendants named in the Lawsuit or others, and shall include any claims I may or will have for the handling of my original claim or Lawsuit.
- B. I have been advised by LAWCASH to discuss this matter with my attorney and/or such other legal counsel of my own choosing prior to signing this Agreement and I have either received such counsel or expressly waived it.
- C. I have been advised by LAWCASH that I should not accept the payment of the Purchase Price (as defined below) under this Agreement if I have any other alternative to meet my immediate economic needs. Because LAWCASH is taking a high risk in purchasing an interest in my Lawsuit, I understand that LAWCASH may make a large profit. However, LAWCASH will be paid only from the Proceeds of the Lawsuit, and will not seek money from me directly in the event that the Lawsuit is not successful or I receive an amount less than the Purchase Price being advanced by LAWCASH under this Agreement. I will use the money received from LAWCASH for my life needs only.
- D. This Lawsuit Investment Agreement and all of its principal terms have been fully explained to me, and all questions that I might have about this transaction have been fully answered in English or such other language that I can understand.
- E. I represent that there are no pending tax claims nor are there any pending criminal allegation(s) or charge(s) against me.

SECTION 1. PURCHASE PRICE AND PAYMENT TERMS

1. In consideration for the receipt of the sum of [Two Thousand and xx / 100 dollars (\$2,000.00)] from LAWCASH (the "Purchase Price"), I am selling and assigning an interest in the Lawsuit equal to the Purchase Price, together with the agreed return on LAWCASH's investment, and other fees or costs, all of which are payable to LAWCASH only from the Proceeds (defined below) of the Lawsuit (the "Funded Amount"). The monthly investment return shall be equal to [3.50%] monthly of the amount funded to me herein ("Investment Return"). The total Funded Amount includes the Purchase Price and the Investment Fee that I agreed to when first requesting this funding. The total Funded Amount under this Agreement is: [\$2,350.00.] The monthly investment return is charged from the date of this Agreement until the end of the 6 month interval during which payment of Proceeds is made to LAWCASH. In the case of multiple fundings, then the Investment Return shall accrue on each Funded

Amount from the date of each individual funding. The Funded Amount and the Investment Return will be paid only from the Proceeds of my Lawsuit. If I do not recover any money from my Lawsuit, LAWCASH will receive nothing. If I recover money from my Lawsuit, which is insufficient to pay the Funded Amount and the Investment Return in full, then LAWCASH will receive only the Proceeds of the Lawsuit.

2. The term "Proceeds" shall include any money paid as a consequence of the Lawsuit whether by settlement, judgment or otherwise.

SECTION 2. EXPLANATION OF PURCHASE PRICE AND CHARGES

Total to be paid to me under THIS Agreement:	<u>\$2,000.00</u>
Total to be paid to me under ALL Agreements:	<u>\$2,000.00</u>
Case Monitoring Fee (total of all investments):	<u>\$ 100.00</u>
Investment Fee (total of all investments):	<u>\$ 250.00 *</u>
Annual Percentage Rate of Return on Investment:	<u>42.00%</u>
Compounding Method:	<u>Semi-Annually</u>
Maximum Amount to be received by LAWCASH (current investment):	<u>\$ 6,724.24</u>

Total Funded Amount to be received by LAWCASH under ALL investment agreements:

<u>Date of Payment to LAWCASH</u>	<u>LAWCASH Ownership Amount</u>
If payment to LAWCASH is made by 10/15/2010	\$2,779.32
If payment to LAWCASH is made by 01/15/2011	\$2,779.32
If payment to LAWCASH is made by 04/15/2011	\$3,292.32
If payment to LAWCASH is made by 07/15/2011	\$3,292.32
If payment to LAWCASH is made by 10/15/2011	\$3,923.92
If payment to LAWCASH is made by 01/15/2012	\$3,923.92
If payment to LAWCASH is made by 04/15/2012	\$4,682.80
If payment to LAWCASH is made by 07/15/2012	\$4,682.80
If payment to LAWCASH is made by 10/15/2012	\$5,612.90
If payment to LAWCASH is made by 01/15/2013	\$5,612.90
If payment to LAWCASH is made by 04/15/2013	\$6,724.24
If payment to LAWCASH is made by 7/15/2013**	\$6,724.24

*Other fees may apply per agreement of the parties but are not anticipated at the time of execution of this Lawsuit Investment Agreement.

**This chart includes example dates only. Dates in-between and after those shown may reflect other payment amounts. Always contact LAWCASH to verify the exact amount to be paid to LAWCASH.

3. I hereby direct the Funded Amount to be distributed as follows: [*\$2,000.00 payable to Client, Sample.*]

4. I understand and agree that any funds that LAWCASH advances to me for the purpose of receiving any medical treatment of any kind, including but not limited to surgery, physical therapy or psychological treatments or therapy, shall be returned to you immediately in the event that I opt not to undergo such treatment for any reason whatsoever. Under these limited circumstances, I will remain indebted to LAWCASH for the return of these funds, together with all appurtenant costs and fees regardless of the outcome of my Lawsuit. **[Why is this paragraph included?]**

5. I instruct my attorney to verify the Funded Amount and the Investment Return to be paid to LAWCASH. I understand that should my attorney, any payer, or I send LAWCASH a check for less than the sum to which LAWCASH is entitled, even if such check is marked in any way to indicate that it is in full satisfaction or in full release of LAWCASH's investment in my Lawsuit (and absent any express written acceptance of said lesser sum from LAWCASH) the deposit of such check will not discharge LAWCASH's right to receive the full amount to which it is entitled for its interest in my Lawsuit.

1. LAWCASH reserves the right, at its sole and absolute discretion, to withhold any portion of the Purchase Price not yet funded under this Agreement. This shall not affect LAWCASH's rights with respect to any portion of the Funded Amount previously advanced.

2. I hereby waive any defense to payment of the sums due to LAWCASH and promise not to seek to avoid payment of any money due to LAWCASH under this Agreement.

3. I will instruct my attorney to mail all payments to:

**Plaintiff Funding Corporation
26 Court Street, 11th Floor
Brooklyn, New York 11242-0000**

4. I understand that the payment instructions set forth herein are irrevocable and are not subject to modification in any manner, except by LAWCASH's written notice rescinding or modifying the payment instructions contained herein.

SECTION 3. SECURITY INTEREST

1. I hereby grant LAWCASH a security interest in the Proceeds of the Lawsuit. The amount due LAWCASH, after payment of my attorney fees (including the amounts charged by my attorney for costs) and after payment to any lien holders that might exist of record as of the date of this Agreement, or which may have priority by law, shall be withheld from the Proceeds and paid immediately upon collection to LAWCASH. I will not receive any money from the Proceeds until LAWCASH has been paid in full. This shall also apply to any structured settlement of my Lawsuit. I acknowledge that my receipt or use of any of the Proceeds prior to the full payment of the amounts due to LAWCASH shall constitute an illegal conversion and may be a crime.

2. In the event that the assignment of my interest in the Proceeds is not permitted by law, then I agree to pay LAWCASH all of the funds due under this Agreement immediately upon the payment of the Proceeds as a separate and independent obligation.

3. I hereby agree that I will not create additional liens against the Proceeds without the prior written consent of LAWCASH except those as may be necessary to the prosecution of the case. I specifically promise not to create any liens against the Proceeds of the case as a result of any funding or loans that I might receive after the date of this Agreement.

4. I understand that I am not assigning my Lawsuit to LAWCASH, but rather a portion of the Proceeds from the Lawsuit.

5. I have directed my attorney, and will direct any future attorney representing me in the Lawsuit, to honor this Agreement.

6. I understand that in the event that LAWCASH does not receive payment as required by this Agreement and that it needs to take action to pursue such payment, LAWCASH may collect, in addition to the amount due and owing, reasonable attorneys fees and costs in pursuing its rights. I agree that an amount equal to one third (33 1/3%) of the amount due and owing is a reasonable attorney's fee. Notwithstanding the foregoing, the prevailing party in any legal action shall be entitled to reasonable attorney's fees and costs, and that one-third (33 1/3%) of the sum at issue is a reasonable attorney's fee.

7. LAWCASH SHALL HAVE NO RIGHT TO AND WILL NOT MAKE ANY DECISIONS WITH RESPECT TO THE CONDUCT OF THE LAWSUIT OR ANY SETTLEMENT OR RESOLUTION THEREOF AND THAT THE RIGHT TO MAKE THOSE DECISIONS REMAINS SOLELY WITH ME AND MY ATTORNEY REPRESENTING ME IN THE LAWSUIT.

SECTION 4. RIGHT OF CANCELLATION

NEW YORK CONSUMER'S RIGHT TO CANCELLATION: YOU MAY CANCEL THIS CONTRACT WITHOUT PENALTY OR FURTHER OBLIGATION WITHIN FIVE BUSINESS DAYS FROM THE DATE YOU RECEIVE THE FUNDED AMOUNT FROM LAWCASH. In order for the cancellation to be effective, I understand that I must return all money given to me by LAWCASH simultaneously with my rescission. I may do this by making personal delivery to LAWCASH's offices of: (a) the undeposited (or un-cashed) check that LAWCASH gave to me; (b) a Certified or Bank check in the exact amount that LAWCASH gave me; or (c) a Money Order in the exact amount that LAWCASH gave me. I may also mail by insured, registered or certified U.S. mail, postmarked within five (5) business days of receipt of funds from LAWCASH, a notice of cancellation together with LAWCASH's un-cashed check, or a certified or registered check or money order for the full Funded Amount

SECTION 5. ACCURACY OF INFORMATION

If LAWCASH should become aware that I made a material misstatement in connection with my Lawsuit, or committed a fraudulent or criminal act either in connection with this transaction, or in a matter that would adversely and significantly impact the Lawsuit (unless disclosed to LAWCASH prior to paying the Purchase Price), then I will be liable to LAWCASH for all sums paid to me, together with outstanding fees and charges without regard to the outcome of the Lawsuit. In the case of multiple investments, should LAWCASH become aware of any of the foregoing between investments, LAWCASH may, additionally, at its sole and exclusive option, discontinue any future investments.

SECTION 6. NOTIFICATIONS

1. I understand that should I decide not to pursue the Lawsuit I will notify LAWCASH within FIVE (5) BUSINESS DAYS of that decision.
2. I have instructed my attorney to cooperate with LAWCASH and to give periodic updates of the status of my case as requested. If I change attorneys, I will notify you within 48 hours of the change, and provide you with the name, address and phone number of my new attorney.
3. I will receive any notices at the address I have first listed above. If I move, I will notify LAWCASH within 72 hours of my new address.

SECTION 7. MISCELLANEOUS

1. This Agreement constitutes the entire agreement between the parties and there are no representations, warranties, covenants or obligations except as set forth herein. This Agreement supersedes all prior and contemporaneous agreements, understandings, negotiations, or discussions, written or oral, of the parties hereto, relating to any transaction contemplated by this Agreement, however, this Agreement does not supersede any previously executed investment agreements between the parties. This Agreement shall be binding on, and inure to the benefit of, the parties hereto and their successors and assigns.

2. In the event that there is a dispute as to the amount owed to LAWCASH at the time that the Lawsuit is resolved, it is expressly understood that my attorney shall not disburse any funds to me, or on my behalf, except for attorney's fees and/or actual disbursements incurred by my attorney in connection with the prosecution of the Lawsuit. I hereby make the foregoing an irrevocable direction to my attorney and his/her successors.

3. If any provision of this Agreement shall be deemed invalid or unenforceable, it shall not affect the validity or enforceability of any other provision hereof.. It may only be modified in writing.

4. Certain jurisdictions prohibit "Champerty". Champerty makes it illegal for an individual or company to acquire someone else's right to sue. [consider removing first two sentences] In entering into this Agreement, the parties acknowledge that LAWCASH is in no way acquiring my right to sue; I have already started the Lawsuit; the Lawsuit absolutely belongs to me and no one else; and LAWCASH will in no way be involved in the decisions that me and my attorney(s) make in connection with the Lawsuit. This funds provided to me under this Agreement constitutes an investment and not a loan, but should a Court of competent jurisdiction construe it to be the latter, then I agree that interest shall accrue at the maximum rate permitted by law.

5. I agree that any disputes that may arise out of this Agreement shall be adjudicated in either the Supreme Court, or the Civil Court in the County of Kings. This Agreement will be construed in accordance with the laws of the State of New York. WITH RESPECT TO ANY DISPUTE WITH LAWCASH, I HEREBY EXPRESSLY WAIVE THE RIGHT TO CONSOLIDATE, OR TO HAVE HANDLED AS A CLASS ACTION, ANY PROCEEDINGS, CONTROVERSIES, ARBITRATIONS OR DISPUTES OF ANY NATURE WITH ANY PROCEEDINGS, CONTROVERSIES, ARBITRATIONS OR DISPUTES INVOLVING ANY PERSON OR ENTITY WHO IS NOT A PARTY TO THIS AGREEMENT.

6. This Agreement may be executed in separate counterparts. A signature transmitted by FAX shall be effective with the same force and effect as an original signature.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

A copy of this contract will be sent to both me and my attorney.

I hereby accept LAWCASH's investment as per the terms of this Agreement, grant LAWCASH a security interest as per the terms hereof, and sell and assign the Proceeds of my Lawsuit to the extent specified in this Agreement entered into on the ____ day of _____ 2010.

DO NOT SIGN THIS AGREEMENT BEFORE YOU HAVE READ IT COMPLETELY, OR IF IT CONTAINS ANY BLANK SPACES. BEFORE YOU SIGN THIS CONTRACT YOU SHOULD OBTAIN THE ADVICE OF YOUR ATTORNEY. YOU ARE ENTITLED TO A COMPLETED COPY OF THIS CONTRACT.

[Sample Client]

STATE OF _____)

COUNTY OF _____) ss.:

On the _____ day of _____, 2010, before me personally came *[Sample Client]*, known to me to be the individual (s) described in and who executed the within document and duly acknowledged to me that s/he executed the same.

Notary Public